

Memorandum

Date : August 21, 2003

To : Mr. Timothy W. Boyer
Interim Executive Director

From : David J. Gau, Deputy Director
Property and Special Taxes Department

Subject : **2004 Hazardous Waste Fees
and Occupational Lead Poisoning Prevention Fee**
(September 24, 2003 Administrative Consent Calendar)

Attached is the Excise Taxes and Fees Division's recommendation for the establishment of calendar year 2004 rates for the Hazardous Waste Fees and the Occupational Lead Poisoning Prevention Fee. The applicable statutes requiring the setting of new rates are referenced below:

	Health & Safety Code Section
• 2004 Activity Fees	25205.7
• 2004 Environmental Fees	25205.6
• 2004 Facility Fees	25205.2
• 2004 Generator Fees	25205.5
• 2004 Disposal Fees	25174.2
• 2004 Permit-by-Rule and Conditional Authorization	25205.14
• 2004 Occupational Lead Poisoning Prevention Fee	105190

The rates for the fees stated above are adjusted annually based on increases or decreases in the cost of living measured by the Consumer Price Index (CPI). We are proposing to increase these fees by 2.152 percent as measured by the increase in the CPI for California as issued by the Department of Industrial Relations for the period July 1, 2002 to June 30, 2003.

Please place this item on the Board's September 24, 2003 Administrative Consent Calendar for approval.

DJG:cs
Attachments

cc: Ms. Deborah Pellegrini
Mr. Dennis Maciel
Mr. Dave McKillip
Ms. Lynn Bartolo

Approved: _____

Timothy W. Boyer
Timothy W. Boyer
Interim Executive Director

BOARD APPROVED

At the _____ Board Meeting

Deborah Pellegrini, Chief
Board Proceedings Division

**PROPOSAL FOR ADJUSTMENT OF RATES FOR THE
HAZARODUS WASTE FEES AND OCCUPATIONAL LEAD POISONING
PREVENTION FEE**

RATE ADJUSTMENTS

Health and Safety Code Sections 25205.7, 25174.2, 25205.6, 25205.2, 25205.5, 25205.14, and 105190 require the Board to adjust fee rates annually to reflect increases or decreases in the cost of living during the prior fiscal year, as measured by the Consumer Price Index issued by the Department of Industrial Relations for the State of California.

DESCRIPTION OF FEES PROPOSED TO BE ADJUSTED

ACTIVITY FEES

Section 25205.7 of the Health and Safety Code imposes a series of activity fees on applicants for new hazardous waste facility permits and modification to existing hazardous waste facility permits. Currently, these permit activity fees are collected by the Board.

ENVIRONMENTAL FEES

Section 25205.6 of the Health and Safety Code imposes a fee on corporations who; 1) employ 50 or more persons who each work more than 500 hours in California during the calendar year and 2) belong to an industrial group that has been identified by the Department of Toxic Substances Control as one that uses, generates, stores, or conducts activities related to hazardous material, as defined in subdivision (k) of Section 25501, including, but not limited to, hazardous waste.

FACILITY FEES

Section 25205.2 of the Health and Safety Code imposes a fee on each operator of a facility for each reporting period (calendar year), or portion thereof.

GENERATOR FEES

Section 25205.5 of the Health and Safety Code imposes a fee on each generator of hazardous waste for each calendar year, or portion thereof.

DISPOSAL FEES

Section 25174.1, of the Health and Safety Code, imposes a fee on each person who disposes of hazardous waste in the state. Each operator of an authorized hazardous waste facility, at which hazardous wastes are disposed, shall collect a fee from persons submitting hazardous waste for disposal and shall transmit the fees to the State Board of Equalization. Section 25174.2 provides the base rate and procedure for adjustment.

PERMIT BY RULE

Section 25205.14 of the Health and Safety Code imposes a fee on generators of hazardous waste operating pursuant to a permit-by-rule or under a grant of conditional authorization. The reporting period shall begin January 1 of each year. On or before January 31 of each year, the department shall notify the Board of all known generators operating pursuant to a permit-by-rule who are not exempted from this fee pursuant to Section 25404.5.

**PROPOSAL FOR ADJUSTMENT OF RATES FOR THE
HAZARODUS WASTE FEES AND OCCUPATIONAL LEAD POISONING
PREVENTION FEE
(cont.)**

OCCUPATIONAL LEAD POISONING PREVENTION FEE

Section 105190 of the Health and Safety Code imposes a fee on employers in industries with a four-digit Standard Industrial Classification (SIC) identified to the Board by the Department of Health Services. The rate paid by an employer is determined by the number of employees and the type of category.

COMPUTATION

The computations of the annual fee rates are based on increases or decreases in the cost of living during the prior fiscal year, which was July 1, 2002 to June 30, 2003. The factors used are based on the CPI for California. The CPI is a measure of the average change in prices over time in a fixed market basket of goods and services. The CPI measures price change from a designated reference date, 1982-84, which equals 100.0.

CPI @ June 30, 2003	189.9
CPI @ June 30, 2002	185.9
Increase in CPI	4.0
Percentage Increase	2.152%

STAFF RECOMMENDATION

It is recommended that the 2004 rates for the Hazardous Waste Fees and the Occupational Lead Poisoning Prevention Fee be established according to the attached schedules.

Submitted by: Excise Taxes and Fees Division

**Proposed Adjustments
Activity Fees (\$25205.7)
For the Period 01/01/2004 to 12/31/2004**

ACTIVITY FEES:	PROPOSED		
	2003 RATES	PROPOSED INCREASE	2004 RATES
Land Disposal Facility Permit Application Fee			
Large Facility:	\$452,993	\$9,748	\$462,741
Medium Facility:	\$263,750	\$5,676	\$269,426
Small Facility:	\$123,679	\$2,662	\$126,341
Incineration Facility Requiring a Permit			
Large Facility:	\$271,200	\$5,836	\$277,036
Medium Facility:	\$157,952	\$3,399	\$161,351
Small Facility:	\$74,504	\$1,603	\$76,107
Storage or Treatment Facility Permit Application Fee			
Large Facility:	\$89,407	\$1,924	\$91,331
Medium Facility:	\$46,194	\$994	\$47,188
Small Facility:	\$25,333	\$545	\$25,878
Standardized Permit Facility Application Fee			
Series A:	\$38,050	\$819	\$38,869
Series B:	\$23,755	\$511	\$24,266
Series C:	\$6,330	\$136	\$6,466
Transportable Treatment Unit Permit Application Fee			
Large Unit:	\$89,407	\$1,924	\$91,331
Medium Unit:	\$44,702	\$962	\$45,664
Small Unit:	\$19,373	\$417	\$19,790
Facility Postclosure Permit Application Fee			
Large Facility:	\$44,702	\$962	\$45,664
Medium Facility:	\$26,823	\$577	\$27,400
Small Facility:	\$11,919	\$256	\$12,175

**Proposed Adjustments
Environmental Fee (\$25205.6)
For the Period 01/01/2004 to 12/31/2004**

NUMBER OF EMPLOYEES:	PROPOSED		
	2003 RATES	PROPOSED INCREASE	2004 RATES
50 to 74	\$231	\$5	\$236
75 to 99	\$407	\$9	\$416
100 to 249	\$813	\$17	\$830
250 to 499	\$1,742	\$37	\$1,779
500 to 999	\$3,252	\$70	\$3,322
1,000 or more	\$11,037	\$238	\$11,275

**Proposed Adjustments
Facility Fee, Generator Fee, Disposal Fee,
Permit By Rule, and Conditional Authorization
For the Periods 01/01/2004 to 12/31/2004**

HAZARDOUS WASTE FEE:	2003 RATES	PROPOSED	
		INCREASE	2004 RATES
FACILITY FEE BASE RATE (§25205.2)	\$23,458	\$505	\$23,963
GENERATOR FEE BASE RATE (§25205.5)	\$3,262	\$70	\$3,332
DISPOSAL FEE BASE RATE (§25174.2)*	\$101.20	\$2.18	\$103.38
PERMIT BY RULE (§25205.14)	\$1,138	\$24	\$1,162
CONDITIONAL AUTHORIZATION (§25205.14)	\$1,138	\$24	\$1,162

** Please note, in contrast to the other base rates, which are rounded to the nearest dollar, the Disposal Fee base rate is rounded to the nearest cent. This is a result of the Disposal Fee being computed for each ton of hazardous waste.*

**Proposed Adjustments
Occupational Lead Poisoning Prevention Fee (\$105190)
For the Period 01/01/2004 to 12/31/2004**

			PROPOSED
NUMBER OF EMPLOYEES:	2003 RATES	PROPOSED INCREASE	2004 RATES

Category A:

Number of Employees:

10 to 99	\$238	\$5	\$243
100 to 499	\$478	\$10	\$488
500 or more	\$1,192	\$26	\$1,218

Category B:

Number of Employees:

10 to 99	\$342	\$7	\$349
100 to 499	\$955	\$21	\$976
500 or more	\$2,731	\$59	\$2,790